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KGB spy suspect accused once before

Buffalo (AP)—A man accused of spying for Moscow nearly 20 years ago had agreed to work for the Soviets again when he was spotted with a KGB agent in Niagara Falls, the *Buffalo Evening News* said yesterday.

In a copyright story that cited unidentified sources, the paper said Joseph G. Helmich had agreed to serve as a "drop" for the Soviets and was discussing espionage work and financial arrangements when an FBI agent saw him walking at the falls with the Soviet agent last August.

Later confronted by the FBI, Mr. Helmich, 44, admitted selling top-secret codes to the Soviets and has since cooperated in a continuing investigation, according to the *Evening News*. At the time of the August meeting, the newspaper said, Mr. Helmich was discussing the last payment of the \$131,000, adding that he had allegedly agreed to be a "safe drop"—a go-between—for Soviet agents while working at a Buffalo hardware store.

Agents later learned that he had been investigated for possible espionage activity in Paris but cleared despite an apparently expensive lifestyle, the paper said.

He was indicted in Florida last week, after moving from Niagara Falls, N.Y., in May. The indictment charged that he sold codes in 1963 and 1964 when, as an Army warrant officer, he was attached to the U.S. Embassy in Paris.